(c) and (d) Like other commodities, the drawback rates of woven and knitted garments have been revised in consonance with the reduction in duties in respect of various inputs, effected in the Union Budget, 2002-2003. The duty Drawback Scheme provides neutralisation of input stage duties. Thus, any reduction in the input stage duties enables the exporters to procure raw materials at a cheaper cost for the whole year. As there is less burden of taxes, the Government is required to provide lower neutralisation of such taxes. Therefore, the necessary cut in the drawback rates should not have any dampening effect on exports. Hence, no corrective steps are warranted in this regard.

Anti-dumping duty on PET products

64. SHRI KARNENDU BHATTACHARJEE: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government's attention has been drawn to the news-item appearing in the Hindustan Times dated 12th June, 2002 captioned "US slaps anti-dumping duty on Indian PET products";

(b) if so, the details thereof and Government's reaction thereto, and

(c) the steps taken/proposed to be taken to ensure that the proposed move does not hit the export business of the photo-film majors in the country?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY):

(a) Yes, Sir.

(b) The United States International Trade Commission (USITC) instituted the Anti-dumping investigations against Indian exports of Polyethylene Terephthalate (PET) Film on 17-5-2001. The concerned Indian companies defended the investigation. However, the USITC, in its final findings in June, 2002 concluded that the domestic PET film industry in United States has been materially injured by reasons of imports of PET film from India at less than fair value. Therefore, US authorities imposed anti-dumping duties on exports of Polyethylene Terephthalate (PET) Film, Sheet and Strip from India.

(c) The Anti-dumping investigations were defended by the concerned Indian companies and Government of India had no role in it. However, the Anti dumping duties imposed on PET film imported into USA would not affect the

export business of the photo-film majors in India.

Scrutiny of Accounts of RRBs

65. SHRIMATI .AMBIKA SONI: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether the State Bank of India has decided to undertake a thorough scrutiny of the accounts of the Regional Rural Banks;

(b) if so, whether it is to detect whether any of these RRBs had any link with the recent gilts scam spearheaded by Home Trade;

(c) whether SBI-sponsored RRBs in India stands at 30 and they have a total branch network of 2,349 which contributes 16 per cent of the nation-wide RRB branch network;

(d) if so, to what extent the inspection of accounts of RRBs have been checked by the SBI; and

(e) to what extent they have been found in order ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANT GANGARAM GEETE): (a) and (b) State Bank of India (SBI) has reported that the scrutiny of the accounts of Regional Rural Banks (RRBs) is being done annually by statutory auditors at the end of the financial year. The investment portfolio of RRBs is also regularly reviewed in the quarterly structured meetings. However, no link between SBI sponsored RRBs and the recent gilts scam spearheaded by Home Trade has been detected.

(c) SBI has sponsored 30 RRBs across the country and these RRBs have a total of 2342 branches which is 16 per cent of nation-wide RRBs branch network.

(d) and (e) As per Report of SBI the following inspection and audit system has been put in place for RRBs by National Bank for Agriculture & Rural Development (NABARD), sponsor bank and Reserve Bank of India which is considered to be adequate :

(i) Statutory Audit of accounts of RRB once in a year by external auditors;

(ii) Internal inspection and audit by the inspectors deputed by sponsor bank once in a year;